

August 30, 2018

## Honorable Chair Nichols and Honorable Board Members California Air Resources Board

Sent via email

Re: Item 18-3-3, SUPPORT: Proposed 15-day Modifications, Second Round, to the Low Carbon Fuel Standard Regulation

Dear Chair Nichols and Honorable Board Members:

SCE appreciates this opportunity to provide comments on the second round of 15-day modifications to the Low Carbon Fuel Standard (LCFS) regulation. SCE has long supported the LCFS regulation and its goals of diversifying the fuel supply and reducing the carbon intensity of California's transportation fuel. We believe the utilities are uniquely positioned to play an important role in these goals and in the LCFS regulation.

SCE supports the proposed modifications in the second round of 15-day changes to the LCFS regulation and appreciates the tremendous effort of the CARB staff to improve the regulation after the April Board hearing and respond to stakeholder comments in this period.

Specifically, SCE supports the changes that provide a framework for the development of point-of-purchase EV rebates. For example, returning the multi-unit dwelling credits to electric distribution utilities increases the size of the rebates, and providing basic rules on the rebates makes implementation more feasible. A point-of-purchase EV rebate program will be very beneficial to continuing to accelerate EV adoption in California. SCE also agrees with the CalETC comments on the second round of 15-day LCFS modifications that support the point-of-purchase EV rebate provisions and other improvements to the LCFS regulation (e.g., improving the California statewide grid average carbon intensity calculation for electricity and expanded requirements for load serving entities).

Finally, SCE supports the many improvements to rules and formulas for the DC fast charging capacity credits and hydrogen station capacity credits, but requests that in a future rulemaking, there be more equity in the design of these two types of capacity credit (e.g. similar sunset provisions). SCE looks forward to working with CARB to continue to enhance the LCFS in future rulemakings.

Thank you for your consideration.

Sincerely,

Michael Backstrom

Managing Director, Energy and Environmental Policy

<sup>&</sup>lt;sup>1</sup> Instead of the current five years for DC fast charging stalls and fifteen years for hydrogen stations.